

November 29, 2021

DLF Limited: Ratings upgraded; outlook revised to Stable from Positive

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Non-Convertible Debentures	1,000.0	1,000.0	[ICRA] AA- (Stable); upgraded from [ICRA]A+ (Positive)
Commercial Paper	1,000.0	1,000.0	[ICRA] A1+; upgraded from [ICRA]A1
Fund based - Term Loan	1,695.0	1,790.0	[ICRA] AA- (Stable); upgraded from [ICRA]A+ (Positive)
Fund based - Working Capital Facilities	2,173.0	2,078.0	[ICRA] AA- (Stable); upgraded from [ICRA]A+ (Positive)
Non-fund based - Working Capital Facilities/Bank Guarantee	850.0	850.0	[ICRA] AA- (Stable); upgraded from [ICRA]A+ (Positive)
Total	6,718.0	6,718.0	

*Instrument details are provided in Annexure-1

Rationale

The rating upgrade reflects DLF Limited's robust sales and collections in H1FY2022, despite the lockdowns and disruptions created by the Covid-19 pandemic, which enabled the company in reducing the net debt significantly and improving the cash flow adequacy ratio to multi-year high levels. The company recorded net sales of Rs. 2,526 crore and sales collections of Rs. 2,022 crore in H1FY2022, registering a y-o-y growth of 151% and 136% respectively and the company's net debt reduced by Rs 900 crore in H1FY2022 to Rs 3985 crore in September 2021 while the cashflows adequacy ratio¹ improved to 69%² as on September 2021 from 49% as on March 2021. The improvement in cash from operations and reduction in net debt has led to significant improvement in the Net Debt / FFO, to 1.3x³ as against 3.6x for FY2021. Additionally, the company continues to see healthy demand in its super luxury housing project – Camellias (Gurgaon, Haryana), and the newly launched independent floors projects in Gurgaon, Haryana.

The rating continues to take into account the strength of DLF's market position and established brand. The Group also has a low cost and fully paid up land bank, with well-located parcels having diverse land-uses, parts of which have been monetized in recent quarters. Many of the company's new projects are located around DLF City and Golf Course road in Gurgaon where the company had completed many developments with established pricing; with the land and other government charges fully paid for such projects are expected to generate healthy surpluses.

The DLF Group also derives significant financial flexibility as well as dividend income from its investment in DLF Cyber City Developers Limited (DCCDL, rated [ICRA]AA-(Stable)/A1+), which owns one of the largest commercial real estate leasing portfolios in the country. The ratings also draw comfort from the healthy available cash and bank balances of Rs 1,456 crore of DLF Group as on September 30, 2021.

¹ Cashflow adequacy ratio = Committed receivables/ (Total net debt outstanding + Total pending cost)

² Including LRD loans, excluding LRD loans the ratio stood at 92%

³ FFO for H1FY2022 annualized for full year

With most of the ongoing residential projects at intermediate or advanced stages of completion, execution risks for the ongoing projects remain limited as well. Nevertheless, ICRA notes that DLF has certain projects under development in Joint Venture (JV) companies⁴, which expose the JVs to project and marketing risks. While these projects are expected to be incrementally funded out of their collections from customers and sanctioned debt limits, support from DLF to the extent of its share of any shortfall in cash flows has been considered in the rating. Further, the projects in the JVs are proposed to be launched in FY2022 and beyond FY2023 and the performance of these projects will remain a key monitorable.

Exposure to marketing risks for the Group, however, remain high given the concentration of the balance finished inventory in the ultra-luxury segment of Gurgaon. Nonetheless, ICRA has taken note of strong traction in this segment witnessed by DLF in the past five quarters. Further, DLF has launched low-rise/ floors projects which has witnessed significant sales since the launch in Q3FY2021. ICRA also notes the significant launch pipeline of around 5.6 mn sqft in H2FY2022 and 35 mn sq ft in medium term, mostly in the form of independent floors/plotted developments, may increase execution and marketing risks, though the new products will offer diversification in terms of product ticket size and format. Additionally, the dependence of the company on the NCR real estate market remains high.

Going forward, any significant discretionary outflows towards land or other capital expenditure will also remain a key credit monitorable. ICRA further notes the adverse impact of Covid on its rental portfolio having an leasable area of 2.1 mn sqft, the occupancy declined to 88% as on Sep, 2021 as compared to 97% in March 2020. The weighted average rental has also declined to Rs 93 per sqft in September 2021 from Rs 120 per sqft in March 2020. The retail portfolio which forms 14% of the total rental portfolio of DLF was adversely hit by lockdown and entry restriction, the occupancy in retail segment declined to 82% in September 2021 from 96% in March 2020, the weighted average rentals has seen a decline from Rs 311 per sqft in March 2020 to Rs 231 per sqft in September 2021.

ICRA also notes that DLF has significant contingent liabilities, mainly because of matters related to income tax, service tax etc and penalty imposed by the Competition Commission of India (CCI) in August 2011. However, DLF has deposited some money at the time of filing appeals with the respective tax authority as well as Rs. 630 crore with the Supreme Court towards CCI penalty, which will provide liquidity support in case of any adverse judgment. ICRA will continue to monitor the developments and take rating action as and when more clarity emerges on the contingent liabilities.

The stable outlook reflects the company's noted improvement in the net debt position and cashflow adequacy ratio owing to healthy sales in its residential real estate projects in recent quarters as well as DLF's market position and established brand with low cost and fully paid up land bank, with well-located parcels having diverse land-uses. The DLF Group also derives significant financial flexibility from dividend income from its investment in DLF Cyber City Developers Limited (DCCDL, rated [ICRA]AA-(Stable)/A1+), which owns one of the largest commercial real estate leasing portfolios in the country.

Key rating drivers and their description

Credit strengths

Established market position with availability of low cost, well located and diversified land bank: DLF Group has an established market position, attributable to its demonstrated track record of project execution and presence in all segments, namely residential, commercial and retail, across various locations in the country, which enables wider buyer coverage. Moreover, the Group's fully paid up land bank is characterised by low acquisition cost, good location and diversity of land use, providing it flexibility in case of any exigency. ICRA notes that the Group has been monetizing parts of the same in past quarters, which has underpinned cash flows. As the average realisation in company's projects around DLF City and Golf Course road in Gurgaon

⁴ DLF Urban Private Limited is a 50:50 joint venture (JV) between DLF Home Developers Limited (DHDL), a wholly-owned subsidiary of DLF Limited and Reco Greens Pte Limited (Reco), a wholly-owned subsidiary of GIC Realty (part of the Government of Singapore). DLF Midtown Private Limited being a 50:50 joint venture (JV) between DHDL, and Reco, a wholly-owned subsidiary of GIC Realty. Aadarshini Real Estate Developers Private Limited, with the company being a 67:33 JV between DLF Home Developers Limited (DHDL), a wholly-owned subsidiary of DLF, and Green Horizon Trustee Limited, an affiliate of Hines India Limited (Hines).

(where multiple launches are planned in near term) remain strong and the land and Government charges are already paid for, the company is expected to generate a strong project surplus from the sales in these micro markets..

Significant reduction in net debt and improvement in leverage metrics: The company has displayed robust sales momentum in H1FY2022, with super luxury segment outperforming and sustained performance in finished inventory. The company recorded net sales of Rs. 2,526 crore in H1FY2022 with a y-o-y growth of 151% from Rs. 1,005 crore net sales registered in H1FY2021. With significant sales, the company's net debt levels have reduced by Rs 900 crore in H1FY2022 and stood at Rs 3985 crore. Collections had improved and stood at Rs 2022 crore in H1FY2022 and the company has recorded 136% Y-o-Y growth. Overall operational cash flows in H1FY2021 improved owing to healthy sales and tight control on the overheads and other costs. The operating cashflows before tax improved to Rs 1,420 crore in H1FY2022 as against Rs 847 crore in FY2021. Continued reduction in overhead levels will remain a key rating monitorable. The improvement in cash from operations and reduction in net debt has led to significant improvement in the Net Debt / FFO, to 1.3x⁵ as against 3.6x for FY2021.

Improvement in cash flow adequacy ratio: DLF has pending receivables of Rs. 3,768 crore and finished unsold inventory valued at around Rs. 4,540 crore as on Sep 30, 2021. On the back of steady sales, healthy cash flows, and consequently lower net debt, the Group's cash flow adequacy ratio improved to 69% in Sep 2021, from 39% in March 2020.

Limited execution risks at present with low pending costs in ongoing projects: DLF has a low pending cost towards ongoing projects amounting to Rs. 1,329 crore (including new products & capex) as on Sep 30, 2021. As most of the ongoing projects are either at intermediate or advanced stage of completion, exposure to execution risk remains limited at present. Most of the unsold inventory comprises finished units which are expected to be handed over in the near term, which will underpin sales velocity and collections going forward.

Nevertheless, ICRA notes that DLF has certain projects under development in Joint Venture (JV) companies⁶, which expose the JVs to execution and marketing risks. While these projects are expected to be incrementally funded out of their collections from customers and sanctioned debt limits, support from DLF to the extent of its share of any shortfall in cash flows has been considered in the rating. Further, management has plans to launch the projects in JVs in FY2022 and FY2023 and the performance of these projects will remain a key monitorable. Further, ICRA notes the significant launch pipeline of around 5.6 mn sqft, mostly in the form of independent floors/plotted developments, may increase execution and marketing risks, though the new products will offer diversification in terms of product ticket size and format. Going forward, any significant discretionary outflows towards land or other capital expenditure will also remain a key credit monitorable.

Credit challenges

High dependence on NCR real estate market: The dependence of the company on the NCR real estate market remains high. Further, of the unsold inventory, the concentration on the ultra-luxury segment is significant. Nevertheless, DLF has launched projects in other segments –which have witnessed significant sales since the launch in Q3FY2021. The launch of independent floors, which have a shorter cash conversion cycle will provide product diversification and support sales levels and cash flows going forward

Significant contingent liabilities and pending litigations: The Group has significant contingent liabilities, mainly because of matters related to income tax, service tax etc and penalty imposed by CCI in August 2011. However, DLF has deposited some money at the time of filling appeals with the respective tax authority as well as Rs. 630 crore with the Supreme Court towards CCI penalty, which will provide liquidity support in case of any adverse judgment.

⁵ FFO for H1FY2022 annualized for full year

⁶ DLF Urban Private Limited is a 50:50 joint venture (JV) between DLF Home Developers Limited (DHDL), a wholly-owned subsidiary of DLF Limited and Reco Greens Pte Limited (Reco), a wholly-owned subsidiary of GIC Realty (part of the Government of Singapore). DLF Midtown Private Limited being a 50:50 joint venture (JV) between DHDL, and Reco, a wholly-owned subsidiary of GIC Realty. Aadarshini Real Estate Developers Private Limited, with the company being a 67:33 JV between DLF Home Developers Limited (DHDL), a wholly-owned subsidiary of DLF, and Green Horizon Trustee Limited, an affiliate of Hines India Limited (Hines).

Exposure to risks and cyclical in real estate sector in India – The real estate sector is cyclical and has a highly fragmented market structure because of the presence of a large number of regional players. In addition, being a cyclical industry, the real estate sector is highly dependent on macro-economic factors, which in turn render the company's sales exposed to any downturn in demand and competition within the region from various established developers.

Liquidity position: Strong

The company had strong liquidity position, marked by cash and equivalents of Rs. 1,456 crore as on Sep 30, 2021. The group has a policy of maintaining at least six months of upcoming debt repayment as cash balance. Further, the company has pending receivables of Rs. 3,768 crore as on Sep 30, 2021, most of which is likely to be received over the near to medium term considering the advance stage of project execution/handover which is expected to support the liquidity and cash flow position of the DLF Group. Additionally, the company has strong financial flexibility and demonstrated track record of raising funds and competitive rate of interest.

Rating sensitivities

Positive factors – Continued momentum in sales and collections in current projects, along with timely launch and healthy sales in upcoming launches, resulting in significant reduction in net debt would be a credit positive. Diversification in the revenue profile through improved contribution from projects in different segments and geographies will be a monitorable.

Negative factors – Negative pressure on the rating could arise in case of pressure on new bookings and collections resulting in moderation in the Group's financial risk profile and higher than expected debt levels. Further, any significant debt funded land acquisition as well as capital expenditure which weakens leverage metrics may impact the ratings. Gross debt to FFO (full year) higher than 3.0x on sustained basis will be a credit negative.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Rating Methodology Rating Methodology for Real Estate Entities Rating Approach –Consolidation
Parent/Group Support	Not Applicable
Consolidation/Standalone	Given the presence of strong operational, financial and managerial linkages, ICRA has taken a consolidated rating view for DLF Limited along with its subsidiaries, all engaged in real estate development business (hereinafter referred to as DLF or DLF Group). Although DLF holds 66.67% stake in DLF Cyber City Developers Limited (DCCDL; rated [ICRA]AA-(Stable)/A1+), ICRA has not consolidated DCCDL with DLF on account of the presence of a strong shareholder in DCCDL (GIC Group with a 33.33% stake). ICRA has applied limited consolidation for other JVs where there are active projects under development or debt availed to the extent of any support that may be required from DLF Limited.

About the company

DLF Limited is amongst the largest domestic real estate developer with more than 70 years of track record in developing real estate. The company has developed more than 250 million square feet (msf) It is credited for developing many well-known urban colonies in Delhi, including South Extension, Greater Kailash, Kailash Colony and Hauz Khas as well as one of Asia's largest private townships "DLF City" in Gurgaon, Haryana.

Key financial indicators (audited) - Consolidated

DLF Consolidated	FY2019	FY2020	FY2021
Operating Income (Rs. crore)	8,366.09	6,082.77	5,414.06
PAT (Rs. crore)	368.27	-1,479.21*	477.30
OPBDIT/OI (%)	25.60%	18.66%	26.19%
PAT/ OI (%)	4.40%	-24.32%	8.82%
Total Outside Liabilities/Tangible Net Worth (times)	0.51	0.24	0.18
Total Debt/OPBDIT (times)	8.04	7.14	4.59
Interest Coverage (times)	1.04	0.80	1.66

* DLF recognized a Deferred Tax Asset reversal of Rs 1,916 crore in FY2020, which led to a net loss of Rs 1,479 crore during the year. However, the same is non-cash in nature.

PAT: Profit after Tax; OPBDIT: Operating Profit before Depreciation, Interest, Taxes and Amortisation; ROCE: PBIT/Avg (Total Debt + Tangible Net Worth + Deferred Tax Liability - Capital Work in Progress)

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2022)					Chronology of Rating History for the past 3 years								
		Type	Amount Rated (Rs. crore)	Amount Outstanding as of Sep 30, 2021 (Rs. crore)	Date & Rating in	Date & Rating in	Date & Rating in FY2021			Date & Rating in FY2020		Date & Rating in FY2019	Date & Rating in FY2018		
					29-Nov-21	6-Aug-21	5-Mar-21	3-Jul-20	15-May-20	3-Jan-20	10-May-19	9-Aug-18	14-Dec-17	13-Sep-17	13-Apr-17
1	Non-convertible Debentures -1	Long Term	1,000.0	1,000	[ICRA]AA-(Stable)	[ICRA]A+(Positive)	[ICRA]A+(Stable); assigned/ou tstanding	[ICRA]A+(Stable)	[ICRA]A+(Stable)	[ICRA]A+(Positive)	[ICRA]A+(Positive)	[ICRA]A+(Positive)	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]A (Stable)
2	Commercial Paper	Short Term	1,000.0	-	[ICRA]A1 +	[ICRA]A1	[ICRA]A1; outstanding	[ICRA]A1	[ICRA]A1	[ICRA]A1	[ICRA]A1	[ICRA]A1	[ICRA]A1	-	-
3	Term Loans	Long Term	1,790.0	1,790	[ICRA]AA-(Stable)	[ICRA]A+(Positive)	[ICRA]A+; Outstanding	[ICRA]A+(Stable)	[ICRA]A+(Stable)	[ICRA]A+(Positive)	[ICRA]A+(Positive)	[ICRA]A+(Positive)	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]A (Stable)
4	Non-Fund Based Limits	Long Term	850.0	850.0	[ICRA]AA-(Stable)	[ICRA]A+(Positive)	[ICRA]A+(Stable); Outstanding	[ICRA]A+(Stable)	[ICRA]A+(Stable)	[ICRA]A+(Positive)	[ICRA]A+(Positive)	[ICRA]A+(Positive)	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]A (Stable)
5	Fund Based Limits	Long Term	2,078.0	2,078.0	[ICRA]AA-(Stable)	[ICRA]A+(Positive)	[ICRA]A+(Stable); Outstanding	[ICRA]A+(Stable)	[ICRA]A+(Stable)	[ICRA]A+(Positive)	[ICRA]A+(Positive)	[ICRA]A+(Positive)	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]A (Stable)

Complexity level of the rated instrument

Instrument	Complexity Indicator
Non-Convertible Debentures	Very Simple

Commercial Paper	Very Simple
Fund based - Term Loan	Simple
Fund based - Working Capital Facilities	Simple
Non-fund based - Working Capital Facilities/Bank Guarantee	Very Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analyzing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: [Click Here](#)

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Term Loan 1	26-Sep-19		25-Sep-23	45	[ICRA]AA- (Stable)
NA	Term Loan 2	11-Jul-17		11-Jul-26	125	[ICRA]AA- (Stable)
NA	Term Loan 3	11-Sep-19		11-Jul-26	39	[ICRA]AA- (Stable)
NA	Term Loan 4	29-Nov-18		15-Nov-27	171	[ICRA]AA- (Stable)
NA	Term Loan 5	26-Mar-20		15-Nov-27	94	[ICRA]AA- (Stable)
NA	Term Loan 6	27-Sep-19		26-Sep-31	67	[ICRA]AA- (Stable)
NA	Term Loan 7	07-Sep-20		31-Aug-29	360	[ICRA]AA- (Stable)
NA	Term Loan 8	11-Feb-21		31-Jan-25	190	[ICRA]AA- (Stable)
NA	Term Loan 9	18-Aug-2021		24-Aug-25	175	[ICRA]AA- (Stable)
NA	Term Loan 10	18-Aug-2021		24-Aug-33	524	[ICRA]AA- (Stable)
NA	OD/Working Capital Limits	-	-	-	2,078	[ICRA]AA- (Stable)
NA	Bank Guarantee / Letter of Credit	-	-	-	850	[ICRA]AA- (Stable)
INE271C07194	NCD-I	19-Mar-20	9.50%	17-Mar-23	500	[ICRA]AA- (Stable)
INE271C07202	NCD-II	25-Mar-21	8.25%	25-Mar-24	500	[ICRA]AA- (Stable)
NA	Commercial Paper (not placed)	-	-	-	1,000	[ICRA]A1+

Source: Company

Annexure-2: List of entities considered for consolidated analysis

Company Name	DLF	Consolidation
<u>Subsidiary companies at any time during the year</u>	-	
Aaralyn Builders & Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Abheek Real Estate Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Abhigyan Builders & Developers Private Limited	100%	Full Consolidation
Abhiraj Real Estate Private Limited	100%	Full Consolidation
Abjayoni Estates Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Adeline Builders & Developers Private Limited	100%	Full Consolidation
Adsila Builders & Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Afaaf Builders & Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Akina Builders & Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Alana Builders & Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Alfonso Builders & Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Americus Real Estate Private Limited	100%	Full Consolidation
Amishi Builders & Developers Private Limited	100%	Full Consolidation
Ananti Builders & Construction Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Angelina Real Estates Private Limited	100%	Full Consolidation
Anuroop Builders & Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Ariadne Builders & Developers Private Limited	100%	Full Consolidation
Arlie Builders & Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Armand Builders & Constructions Private Limited	100%	Full Consolidation
Arva Builders & Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Atherol Builders & Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Balint Real Estates Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Bellanca Builders & Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Benedict Estates Developers Private Limited	100%	Full Consolidation
Beyla Builders & Developers Private Limited	100%	Full Consolidation
Bhamini Real Estate Developers Private Limited	100%	Full Consolidation
Blanca Builders & Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Breeze Constructions Private Limited	100%	Full Consolidation
Cadence Builders & Constructions Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Cadence Real Estates Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Camden Builders & Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Chakradharee Estates Developers Private Limited	100%	Full Consolidation
Chamundeswari Builders Private Limited [w.e.f. 10 April 2019]	100%	Full Consolidation
Chandrajyoti Estate Developers Private Limited	100%	Full Consolidation
Charon Elevators Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Chrysilla Builders & Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Cirila Builders And Constructions Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Dae Real Estates Private Limited	100%	Full Consolidation
Daffodil Hotels Private Limited	100%	Full Consolidation
Dalmia Promoters and Developers Private Limited	100%	Full Consolidation
Damalis Builders & Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Delanco Home and Resorts Private Limited	100%	Full Consolidation
Delanco Realtors Private Limited	100%	Full Consolidation

Company Name	DLF	Consolidation
Deltaland Buildcon Private Limited	100%	Full Consolidation
Demarco Developers And Constructions Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
DLF Aspinwal Hotels Private Limited	100%	Full Consolidation
DLF Builders and Developers Private Limited [formerly SC Hospitality Private Limited]	100%	Full Consolidation
DLF Cochin Hotels Private Limited	100%	Full Consolidation
DLF Commercial Developers Limited	100%	Full Consolidation
DLF Emporio Restaurants Limited	100%	Full Consolidation
DLF IT Offices Chennai Private Limited	100%	Full Consolidation
DLF Estate Developers Limited	100%	Full Consolidation
DLF Garden City Indore Private Limited	100%	Full Consolidation
DLF Gayatri Home Developers Private Limited [w.e.f. 31 January 2020]	100%	Full Consolidation
DLF Golf Resorts Limited	100%	Full Consolidation
DLF Home Developers Limited	100%	Full Consolidation
DLF Homes Goa Private Limited	100%	Full Consolidation
DLF Homes Panchkula Private Limited [w.e.f. 25 September 2019]	100%	Full Consolidation
DLF Homes Services Private Limited	100%	Full Consolidation
DLF Info City Hyderabad Limited	100%	Full Consolidation
DLF Info City Chennai Limited [till 19 November 2019]	100%	Full Consolidation
DLF Info Park (Pune) Limited	100%	Full Consolidation
DLF Info Park Developers (Chennai) Limited [till 30 September 2019]	100%	Full Consolidation
DLF Lands India Private Limited [till 25 April 2019]	100%	Full Consolidation
DLF Luxury Homes Limited [formerly DLF GK Residency Limited]	100%	Full Consolidation
DLF Phase-IV Commercial Developers Limited	100%	Full Consolidation
DLF Projects Limited	100%	Full Consolidation
DLF Property Developers Limited	100%	Full Consolidation
DLF Real Estate Builders Limited	100%	Full Consolidation
DLF Recreational Foundation Limited	85%	Full Consolidation
DLF Residential Builders Limited	100%	Full Consolidation
DLF Residential Developers Limited	100%	Full Consolidation
DLF Residential Partners Limited	100%	Full Consolidation
DLF Southern Towns Private Limited	100%	Full Consolidation
DLF Southern Towns Private Limited	100%	Full Consolidation
DLF Universal Limited	100%	Full Consolidation
DLF Utilities Limited	100%	Full Consolidation
Dome Builders & Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Domus Real Estate Private Limited	100%	Full Consolidation
Eastern India Powertech Limited	100%	Full Consolidation
Edward Keventer (Successors) Private Limited	100%	Full Consolidation
Elvira Builders & Constructions Private Limited	100%	Full Consolidation
Fabrizio Real Estates Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Faye Builders & Constructions Private Limited	100%	Full Consolidation
Galleria Property Management Services Private Limited	72%	Full Consolidation
Garv Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Garv Promoters Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Garv Realtors Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Ghaliya Builders & Developers Private Limited	100%	Full Consolidation

Company Name	DLF	Consolidation
Genisys Property Builders & Developers Private Limited [w.e.f. 14 May 2018]	100%	Full Consolidation
Grism Builders & Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Hansel Builders & Developers Private Limited	100%	Full Consolidation
Havard Builders & Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Hemadri Real Estate Developers Private Limited [w.e.f. 6 February 2020] (a) and [till 18 August	100%	Full Consolidation
Hoshi Builders & Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Isabel Builders & Developers Private Limited	100%	Full Consolidation
Jayanti Real Estate Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Kambod Real Estates Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Karena Estates Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Karida Real Estates Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Kokolath Builders & Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Kolkata International Convention Centre Limited	100%	Full Consolidation
Lada Estates Private Limited	100%	Full Consolidation
Latona Builders & Constructions Private Limited	100%	Full Consolidation
Laxmibanta Estates Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Lear Builders & Developers Private Limited	100%	Full Consolidation
Lempo Buildwell Private Limited	100%	Full Consolidation
Liber Buildwell Private Limited	100%	Full Consolidation
Livana Builders & Developers Private Limited	100%	Full Consolidation
Lizebeth Builders & Developers Private Limited	100%	Full Consolidation
Lodhi Property Company Limited	100%	Full Consolidation
Luvkush Builders Private Limited [w.e.f. 6 February 2020]		
Mariabella Builders & Developers Private Limited	100%	Full Consolidation
Melosa Builders & Developers Private Limited	100%	Full Consolidation
Mens Buildcon Private Limited	100%	Full Consolidation
Milda Buildwell Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Mohak Real Estate Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Mufallah Builders & Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Mujaddid Builders & Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Nadish Real Estate Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Naja Builders & Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Naja Estates Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Nambi Buildwell Private Limited	100%	Full Consolidation
Narooma Builders & Developers Private Limited	100%	Full Consolidation
Nayef Estates Private Limited [w.e.f. 6 February 2020] (a) [merged with Afaaf Builders &	100%	Full Consolidation
Nellis Builders & Developers Private Limited	100%	Full Consolidation
Nilima Real Estate Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Niobe Builders & Developers Private Limited	100%	Full Consolidation
Nudhar Builders & Developers Private Limited	100%	Full Consolidation
Ophira Builders & Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Oriel Real Estates Private Limited [w.e.f. 14 August 2019]	100%	Full Consolidation
Paliwal Developers Limited	100%	Full Consolidation
Paliwal Real Estate Limited	100%	Full Consolidation
Pariksha Builders & Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Peace Buildcon Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation

Company Name	DLF	Consolidation
Phoena Builders & Developers Private Limited	100%	Full Consolidation
Pyrite Builders & Constructions Private Limited	100%	Full Consolidation
Qabil Builders & Constructions Private Limited	100%	Full Consolidation
Qabil Builders & Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Rachelle Builders & Constructions Private Limited	100%	Full Consolidation
Raeks Estates Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Rajika Estate Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Rinji Estates Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Riveria Commercial Developers Limited	100%	Full Consolidation
Rochelle Builders & Constructions Private Limited	100%	Full Consolidation
Rosalind Builders & Constructions Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Royalton Builders & Developers Private Limited	100%	Full Consolidation
Sagardutt Builders & Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Saket Holidays Resorts Private Limited	100%	Full Consolidation
Seamless Constructions Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Shikhi Estates Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Shivaji Marg Maintenance Services Limited [formerly NewGen MedWorld Hospitals Limited]	100%	Full Consolidation
Skryse Home Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Talvi Builders & Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Tiberias Developers Limited [formerly DLF Finvest Limited]	100%	Full Consolidation
Uncial Builders & Constructions Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Unicorn Real Estate Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Urvasi Infratech Private Limited	100%	Full Consolidation
Vamil Builders & Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Verano Builders & Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Vibodh Developers Private Limited	100%	Full Consolidation
Vismay Builders & Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Vkarma Capital Investment Management Company Private Limited	100%	Full Consolidation
Vkarma Capital Trustee Company Private Limited	100%	Full Consolidation
Webcity Builders & Developers Private Limited	100%	Full Consolidation
Zanobi Builders & Constructions Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
Zima Builders & Developers Private Limited [w.e.f. 6 February 2020]	100%	Full Consolidation
<u>Partnership Firms (Accounted for as Subsidiaries)</u>		
DLF Commercial Projects Corporation	100%	Full Consolidation
DLF Gayatri Developers	42%	Full Consolidation
DLF Green Valley	50%	Full Consolidation
DLF Office Developers	85%	Full Consolidation
Rational Builders and Developers	95%	Full Consolidation
<u>Joint Ventures (JV) and Joint Operations (JO) / Associates (A)</u>		
DLF Gayatri Home Developers Private Limited [till 30 January 2020]	50%	Equity Method
DLF Midtown Private Limited (JV)	50%	Limited
DLF SBPL Developers Private Limited (JV)	50%	Equity Method
DLF Urban Private Limited (JV)	50%	Limited
Fairleaf Real Estate Private Limited (formerly YG Realty Private Limited) [till 9 October 2019]	-	Equity Method
<u>DESIGNPLUS GROUP (JV)</u>		
Comprising investment in Designplus Associates Services Private Limited (JV) alongwith its	42%	Equity Method

Company Name	DLF	Consolidation
Spazzio Projects and Interiors Private Limited (JV)	0%	Equity Method
DLF Homes Panchkula Private Limited (A)	40%	Equity Method
Joyous Housing Limited (JV)	38%	Equity Method
Arizona Globalservices Private Limited* (A)	-	Equity Method
Aadarshini Real Estate Developers Private Limited*	67%	Limited
Banjara Hills Hyderabad Complex (JO)	50%	Equity Method
GSG DRDL Consortium (JO)	50%	Equity Method
<u>DCCDL GROUP (JV)^</u>		
<u>Comprising investment in DLF Cyber City Developers Limited along with its following</u>	67%	Equity Method
		Equity Method
DLF Assets Limited		Equity Method
DLF City Centre Limited		Equity Method
DLF Emporio Limited		Equity Method
DLF Info City Chennai Limited (w.e.f. 20 November 2019)		
DLF Info City Developers (Chandigarh) Limited		Equity Method
DLF Info City Developers (Kolkata) Limited		Equity Method
DLF Info Park Developers (Chennai) Limited [w.e.f. 1 October 2019]		
DLF Lands India Private Limited [w.e.f. 26 April 2019]		
DLF Power & Services Limited		Equity Method
DLF Promenade Limited		Equity Method
Richmond Park Property Management Services Limited		Equity Method
Fairleaf Real Estate Private Limited (formerly YG Realty Private Limited) [w.e.f. 10 October]		Equity Method
Nambi Buildwell Limited [formerly known as Nambi Buildwell Private Limited] [w.e.f. 30]		Equity Method
Paliwal Real Estate Limited [w.e.f. 29 May 2019]		Equity Method

Source: Annual report FY2021

^ICRA has not taken a consolidated rating view on DLF and DCCDL groups (DLF Cyber City Developers Limited and its subsidiaries, engaged in the business of commercial real estate ((hereinafter referred to as DCCDL or DCCDL Group). This is on account of the presence of a strong shareholder in DCCDL (GIC group with 33.33% stake), with both DLF and GIC having affirmative rights for all significant decisions. ICRA also notes that no incremental financial support is expected to be extended by DCCDL to DLF, as has been the case since the stake sale to GIC in December 2017.

Now with the settlement of advances (from DLF to DCCDL) completed in H1FY2020, ICRA expects that the financial transactions amongst the two groups will be limited to regular payment of dividend (from DCCDL to DLF), and on-going commercial transactions for project development, all of which are being done on arm's length basis, as per the understanding provided by the management.

ANALYST CONTACTS

Mathew Kurian Eranat

+91 80-4332 6415

mathew.eranat@icraindia.com

Kapil Banga

+91 124-4545 391

kapil.banga@icraindia.com

Pallavi Singh

+91 124 4545 393

pallavi.singh@icraindia.com

RELATIONSHIP CONTACT

L Shivakumar

+91 22 6169 3304

shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani

Tel: +91 124 4545 860

communications@icraindia.com

Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

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Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

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ICRA Limited



Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45



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